CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

AUGUST 15, 2006

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

INVOCATION:
Rev. Gary Hanson gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Orach led the pledge of allegiance.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Mariscal, Orach, Trujillo, and Mayor Lavagnino

MEMBERS ABSENT
Councilmember Patino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Police Chief Macagni, Director of Community Development Lindsey, Fire Chief Ortiz, Director of Public Works/City Engineer Sweet, Director of Recreation and Parks Posada, Director of Administrative Services Snodgrass, Principal Engineer Nybo, Principal Engineer Whitehead, and Chief Deputy City Clerk Perez.

VOLUNTEER OF THE MONTH
Councilmember Mariscal presented a gift to Susan Klucker as the Recreation and Parks Volunteer of the Month for August for her dedication and commitment as a key member of the Healthy for Life work group, one of the four workgroups of the Families for the First Decade Project, and as a leading contributor to health education throughout the Santa Maria Valley.

PUBLIC COMMENT
Shirley Contreras spoke regarding the events planned for Santa Maria Valley History Week from September 17 – 24, 2006, sponsored by the Pioneer Association and the Santa Maria Valley Historical Society.

Gabriel Valencia, President of MAPA, spoke regarding the lack of community involvement in the decision to transport contaminated soil from the Guadalupe Dunes clean-up project to the Santa Maria Landfill.

Ernest Armenta encouraged the viewing audience to vote for him for City Council in the November election.

Susan Whalen, Asset Management Corporation, spoke on Consent Calendar Item 3N on behalf of Greka Energy regarding mineral rights on the Las Flores Ranch property recently purchased by the City.

CONSENT CALENDAR
Councilmember Trujillo requested Item 3N be pulled for comment.

Item 3N – Recommendation from the Recreation and Parks Commission to establish the project planning and site management plan for the Las Flores Ranch Property.

Councilmember Trujillo commented he had been contacted by a model airplane club that was looking for a new location to fly their model airplanes and requested staff keep them in mind for the Las Flores Ranch site.

City Manager Ness explained that if Councilmember Trujillo was referring to the RC Modelers Club, staff was already working with them on several possible locations that would be better suited for them.

City Manager Ness requested a change in Resolution No. 2006-141, which specified that the Council would approve and adopt the Recreation and Parks Commission's Resolution No. 9 in its entirety, to clarify that the resolution related to the public recreation uses of the Las Flores property only, and that the Utilities Department would be responsible for the Regional Landfill portion of the property.

Consent Calendar Items A through O were approved with the specified change to Resolution No. 2006-141, Item 3N, on motion by Councilmember Orach, seconded by Councilmember Mariscal, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: Councilmember Patino
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar are adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of August 1, 2006, were approved as submitted.

C. RELEASE OF BOND
Council accepted as complete the public improvements and released a Faithful Performance Bond posted in connection with North Preisker Ranch, Tract 5764, Phase 4, in the reduced amount of $40,000 for the construction and installation of public improvements, with the order that the Contractor, Labor and Material Bond be held until February 2007 and the Guarantee and Defective Material Bond be held until August 2007.

D. PERSONNEL CHANGES
Resolution No. 2006-135 and 2006-144 were adopted approving certain personnel changes, adjustments to salary ranges and the creation of new classifications and amending the City's Conflict of Interest Code to reflect new classifications.

Resolution No. 2006-135 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING PERSONNEL CHANGES, ADJUSTMENTS TO SALARY RANGES AND THE CREATION OF NEW CLASSIFICATIONS.

Resolution No. 2006-144 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING APPENDIX "A" OF THE CONFLICT OF INTEREST CODE FOR DESIGNATED FILERS OF THE CITY OF SANTA MARIA.

E. COMCAST TRIENNIAL REVIEW
Council authorized staff to enter into a contract not to exceed $21,250 with the City of Lompoc and the Buske Group of Sacramento, as the consultant, for a Triennial Review of Comcast Cablevision's performance, which will be a joint contract with the City of Lompoc totaling $42,500.

F. WARRANTS
Warrant Nos. 128926 to 129199 in the amount of $2,357,467.59 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant No. 124515 was cancelled.

G. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

H. ABC LICENSE
Council noted and filed a Notice from the California Department of Alcoholic Beverage Control of an application for a transfer of an Alcoholic Beverage License in an existing restaurant for Marisco La Coqueta (formerly Ahedos Restaurant) located at 118 W. Chapel.

I. ABC LICENSE PROCEDURE
Resolution No. 2006-136 was adopted allowing Alcoholic Beverage Licenses that are not within areas of undue concentration to be processed administratively by the Community Development Department.

Resolution No. 2006-136 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ALLOWING CERTAIN ALCOHOLIC BEVERAGE LICENSES TO BE PROCESSED ADMINISTRATIVELY.

J. AWARD OF BID
Resolution No. 2006-137 was adopted awarding the bid and approving an agreement with G. Sosa Construction, Inc., for Bid No. 2007/01, Fletcher Park, Phase II, in the amount of $458,430.20 which included the base bid plus Additive Alternate No. 1.

Resolution No. 2006-137 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH G. SOSA CONSTRUCTION, INC. FOR FLETCHER PARK, PHASE II, BID NO. 2007/01.

K. AWARD OF BID
Resolution No. 2006-138 was adopted awarding the bid and approving an agreement with R. Baker, Inc., for Bid No. 2007/02, Creston Street Sanitary Sewer – Railroad Avenue to Lincoln Street, in the amount of $317,409.90.

Resolution No. 2006-138 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH R. BAKER, INC. FOR CRESTON STREET SANITARY SEWER – RAILROAD AVENUE TO LINCOLN STREET, BID NO. 2007/02.

L. AWARD OF BID
Resolution No. 2006-139 was adopted awarding the bid and approving an agreement with Graham Contractors, Inc., for Bid No. 2007/03, Street Maintenance (Chip Seal), in the amount of $1,115,259.05 which consists of the base bid and Additive Alternate No. 1.

Resolution No. 2006-139 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH GRAHAM CONTRACTORS, INC. FOR STREET MAINTENANCE (CHIP SEAL), BID NO. 2007/03.

M. AWARD OF BID
Resolution No. 2006-140 was adopted awarding the bid and approving an agreement with Union Asphalt, Inc., for Bid No. 2007/04, Street Overlay, in the amount of $854,337.50.

Resolution No. 2006-140 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH UNION ASPHALT, INC. FOR STREET OVERLAY, BID NO. 2007/04.

N. LAS FLORES RANCH PROPERTY

Resolution No. 2006-141 was adopted with one correction approving a recommendation from the Recreation and Parks Commission to establish the project planning and site management plan for the Las Flores Ranch Property.

Resolution No. 2006-141 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE RECOMMENDATION OF THE RECREATION AND PARKS COMMISSION ESTABLISHING THE PROJECT PLANNING AND SITE MANAGEMENT PLAN FOR THE LAS FLORES RANCH OPEN SPACE.

O. INTEGRATED REGIONAL WATER MANAGEMENT PLAN

Resolution No. 2006-142 was adopted approving a Memorandum of Understanding (MOU) to develop an Integrated Regional Water Management Plan in Santa Barbara County, contingent upon the County Board of Supervisors approving the MOU, and authorizing payment of $20,000 to the County Water Agency for Santa Maria's contribution to develop the plan.

Resolution No. 2006-142 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE ADOPTION OF THE MEMORANDUM OF UNDERSTANDING TO DEVELOP AN INTEGRATED REGIONAL WATER MANAGEMENT PLAN (IRWMP) IN SANTA BARBARA COUNTY.

ECONOMIC DEVELOPMENT COMMISSION REPORT

Robert Hatch, President/CEO of the Santa Maria Valley Chamber of Commerce and Chairperson of the Economic Development Commission, introduced the members of the Commission and the members of the Board of Directors of the Chamber who were present. Mr. Hatch then presented the Economic Development Commission's Semi-Annual Report for the period of January 1, 2006, through June 30, 2006. During the first half of the second year of the Economic Development Plan emphasis was placed on retention of existing businesses. Every one of the first-year goals was addressed and a program of work developed. Work is also well underway for the second-year objectives. Print ads were placed in the *Global Corporate Expansion Magazine, Expansion Management Magazine, National Association of Manufacturers Directory* and *Pacific Coast Business Times*. Since the last report, the Business Visitation Program has been re-energized, and the Chamber's Business Committee has been re-formed to facilitate networking opportunities. The Commission and Chamber staffs have continued to provide advice or assistance to numerous companies seeking to expand or relocate their operations. International Software Trading Company has leased office space, hired software engineers and begun initial marketing. Fusion Marketing has leased additional space and expanded local operations. The Commission is now under contract to actively market the Santa Maria Public Airport District and has pledged its support for the continuing development of the business park. The Commission has continued to be engaged in numerous economic development activities and has purchased additional products to support and enhance its work.

Mayor Lavagnino asked how the Commission was planning to implement mining Southern Santa Barbara County for expansion or relocation to Santa Maria.

Mr. Hatch explained that the Commission had already implemented that with one-on-one or one-on-two contacts with the decision makers of the companies. They have made some inroads in that regard. Companies are finding there are some things they can't do in Southern Santa Barbara County when they want to expand. Santa Maria has the space and industrial land that can facilitate them.

Councilmember Mariscal stated there were some comments being made that we would be shifting jobs from South County to North County and not providing any additional jobs. The strategy that the Council had in mind is a balance and quality of life. Reducing commuting out of the area increases the quality of life because workers could work closer to where they live and where their children are during the day.

Councilmember Trujillo commended Mr. Hatch on promoting the wine industry in the area. It is a very big-dollar industry that will pay off later for the City.

Mr. Hatch thanked the City Council and staff for their continued support and cooperation.

Council thanked and commended Mr. Hatch and received and filed the report.

CHAMBER OF COMMERCE YEAR-END REPORT

Robert Hatch, President/CEO of the Santa Maria Valley Chamber of Commerce introduced Gina Keough, Visitor and Convention Bureau Manager, who gave the Year-End Report. During the 2005/06 fiscal year, transient occupancy tax increased 2 percent over last year's figures totaling $2,247,457.92. The Bureau developed a new logo to use in its advertising/marketing and public relations campaigns. In conjunction with the new logo, the branding of "California's Sweet Spot" will be used to promote all the best that Santa Maria Valley has to offer. In support of Culinary Tourism, the Bureau developed a full-color brochure highlighting the Santa Maria Style Barbecue. The Bureau is also very active in supporting the local wine industry and recently joined the Santa Maria Valley Wine Country Association. The 2006 Mayor's Award was presented to Mili Acquistapace, owner and operator of Rancho Bowl, for his dedication to bringing groups to Santa Maria to participate in bowling tournaments. Santa Barbara County was one of only 10 areas in the State of California to host the inaugural 600-mile, eight-day Amgen Tour of California professional cycling stage race which featured 128 Olympic-class and pro-cyclists on 16 international teams. Additionally, the second annual Hearts of Fire Tournament was held at the Hagerman Sports Complex and the Lakeview softball fields, bringing in softball teams from all over the State. Bureau staff attended several tradeshows this year including the Meetings Quest Tradeshow, the Los Angeles Times Travel Show, and the Bay Area Travel Show. The Bureau was also represented at the Sunset Celebrations Weekend and the CineGear Expo. This year the bureau was able to award Special Projects Grants to a variety of organizations including The Dunes Center for the Winter Solstice Celebration, the Santa Maria Independent Soccer Organization for the Cool Summer Cup 2006, the Bent Axles Car Club for their annual car show and cruise, and the Santa Maria Museum of Flight for the Thunder Over the Valley air show.

Max Tucker commented that the partnership between the City and the Chamber of Commerce really works. He thanked Councilmembers Orach and Mariscal for helping to host the wine writer recently. The writers were here to write about the wine production in the Santa Maria Valley and how important it is to this area. He said the ads in the magazines were important for economic development and tourism, but what was really important was that when someone called the Chamber of Commerce for information, they get a real person who can answer their questions.

Mayor Lavagnino stated that companies like Fusion came to Santa Maria because they knew they would get a quick response. There is a great relationship between the City and the Chamber of Commerce. He said he understood that this was a long-term project; but in the end, Santa Maria would benefit greatly.

Councilmember Trujillo commended Ms. Keough for her work. The wine industry is a very big industry for the area, and the Chamber is on the right tract in promoting that industry.

Councilmember Orach stated the two wine writers were very impressed with the tour of the wineries and wine production in the area.

Councilmember Mariscal stated for the $600,000 that the City gives to the Chamber, it gets back $2.4 million. That is a very good investment. That happens because of the volunteers on the Board of Directors and the staff of the Chamber of Commerce. He said he had collected wines for a long time and had an extensive collection with a large percentage of it being Central Coast wines. The only thing that the Napa and Sonoma area had that this area didn't have was 35 years of marketing. They have some very good wines, but many of them are blended with juice from the Santa Maria Valley. He

also talked about the importance of the film industry in the area because of the area's unique features, such as Guadalupe's main street, the dunes, and farm land. He talked about ecotourism becoming a very big player on the Central Coast with people coming from all over the Country to see the Guadalupe Dunes. When the Guadalupe Dunes cleanup operation is completed, that property will be turned into a nature preserve and will allow up to 10,000 people to see a beautiful place that is not open to the public at this time. He commended Ms. Keough for her work.

Bob Ziener stated he came from a Chamber of Commerce family. His father was involved in Chamber of Commerce work until he died at 100 years of age. From his observation, Mr. Hatch and the Chamber of Commerce are doing a very professional job. He suggested a full-size replica of the Santa Maria ship be constructed in the downtown business center to help focus people to the revitalized downtown area. He also talked about the airport and said he was convinced that someday there would be an international airport in Santa Maria.

Council thanked and commended Ms. Keough and received and filed the report.

FOURTH QUARTER FINANCIAL REPORT

Director of Administrative Services Snodgrass gave the staff report. With 100 percent of the year complete, revenues are at 105.7 percent of projections while expenditures are at 95.26 percent of appropriations. Operating revenues (excluding transfers) are $1.2 million or 2.7 percent more than last year at this time. Operating expenditures (transfers excluded) are $4.3 million or 11.4 percent higher than the prior year. The top five revenue sources account for about 66 percent of total General Fund revenues. Sales tax receipts are approximately $499,800 more than the prior year. Vehicle License Fee receipts are approximately $1.4 million more than last year and are 124.2 percent of the budget. Property tax receipts are at 129.1 percent of budget and $1.4 million higher than last year. Operating costs were 5 percent less than budgeted at the end of the fourth quarter. In the Water/Wastewater Fund, expenditures exceed revenues by $2.1 million primarily because collections for June 2006 water sales are not yet recorded. A budget amendment report has been included which recommends operational changes.

Councilmember Trujillo stated when you look at other cities in the County, they are passing taxes to build libraries and such. He said he was glad Santa Maria didn't have to do that.

Mayor Lavagnino stated the City was in the process of building a new library, just completed a new parking structure, and two new fire stations, all without having to raise taxes and with no City tax.

Councilmember Orach indicated that the City also just completed several new parks like Rotary Centennial Park and just purchased the Las Flores Ranch property. The City's landfill is state-of-the-art.

Councilmember Mariscal commented that the reason the City was in such good financial shape was because of the people who work for the City. The employees take pride in their work. He said in addition to the construction projects, the City has expanded several of the departments to better serve the community. He said he was pleased to be on the Council of a City that is run as well as Santa Maria is run.

Resolution No. 2006-143 was adopted approving amendments to the budget for fiscal year 2005-06 on motion by Councilmember Trujillo, seconded by Councilmember Orach, and carried on the following vote:

AYES:	Councilmembers Mariscal, Orach, Trujillo, and Mayor Lavagnino
NOES:	None
ABSENT:	Councilmember Patino
ABSTAIN:	None

Resolution No. 2006-143 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING BUDGET AMENDMENTS REGARDING OPERATIONAL CHANGES.

REPORT BY CITY MANAGER

City Manager Ness thanked the Council on behalf of the employees for the accolades and reported on items for the next regular City Council meeting on September 5, 2006, including a continued public hearing for Cale Subdivision and appointments to the Block Grants Advisory Committee, the All-America City Committee, and the Recreation and Parks Commission.

ORAL REPORTS OF COUNCILMEMBERS

Councilmember Trujillo thanked staff for all its hard work. He said Santa Maria had a wonderful staff. The Council should be proud.

Councilmember Orach also commended staff on a good job.

Mayor Lavagnino said he thought Santa Maria was known in the area as the best run city. He said he was always proud to represent the City of Santa Maria wherever he went. One of the things that Santa Maria was known for was taking care of issues as they come up, not putting them off meeting after meeting.

Councilmember Mariscal talked about it being the first day of school for most children in Santa Maria and urged drivers to slow down especially in school zones. He encouraged parents to walk their children to school instead of driving.

CLOSED SESSION

Council recessed to Closed Session at 8:05 p.m. for Conference with Real Property Negotiators pursuant to Government Code Section 54956.8 regarding property located at the corner of Miller & Boone, a portion of APN 125-150-02. Agency negotiator: Director of Public Works/City Engineer; Negotiating Parties: City of Santa Maria and LaBrea Ice Company; Under negotiation: Instruction to negotiator will concern price.

After the Closed Session, the following was announced:

Conference with Real Property Negotiators: Direction to staff.

ADJOURNMENT

There being no further business to come before the City Council at this time, the meeting was declared adjourned at 8:23 p.m. by order of Mayor Lavagnino.

APPROVED

September 5, 2006
Date

Patricia A. Lorey
Chief Deputy City Clerk of the City of Santa Maria and ex-officio Clerk of the City Council

ATTEST

Patricia A. Lorey
Chief Deputy City Clerk

S. J. Lavagnino
Mayor of the City of Santa Maria